

# **MANAGEMENT**

## Curriculum Content Frameworks

**Please note: All assessment questions will be taken from the knowledge portion of these frameworks.**

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# Curriculum Content Frameworks

## MANAGEMENT

Grade Levels: 11, 12 Course Code: 492320	Prerequisite: Tech Prep Core
Course Description: Management is a two semester course that assists the student in understanding basic management functions. Students study the management process, decision-making, environmental factors, basic ethics, and social responsibility. Planning, organizing, leading, and controlling are emphasized as well as basic concepts of staffing, leadership, communications, entrepreneurship, and international management.	

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# Unit 1: Business and Its Environment

## Hours: 15

Terminology: Baby boom, Baby bust, Business, Business ethics, Capital goods, Capitalism, Command economy, Commercial business, Communism, Comparable worth, Competition, Consumer goods, Demand, Domestic good, Downsize, Economic system, Economic want, Economics, Effectiveness, Efficiency, Empowerment, Entrepreneur, Factors of production, Finance, Foreign good, Franchise, Franchisee, Franchisor, Glass ceiling, Global competition, Gross Domestic Product (GDP), Industrial business, Intrapreneur, Labor, Labor force, Labor participation rate, Manufacturing firm, Market economy, Marketing, Mass production, Mixed economy, Monopoly, Output, Privatization, Service firm, Social responsibility, Socialism, Stakeholders, Supply, Total Quality Management (TQM), Underground economy, Utility

CAREER and TECHNICAL SKILLS What the Student Should be Able to Do			ACADEMIC and WORKPLACE SKILLS What the Instruction Should Reinforce		
Knowledge	Application		Skill Group	Skill	Description
1.1 Identify the characteristics of business	1.1.1	Explain the types of business	Foundation	Reading	Comprehends written information for main ideas [1.3.7]
	1.1.2	Define and discuss entrepreneurship		Speaking	Communicates a thought, idea, or fact in spoken form [1.5.5]
				Writing	Communicates thoughts, ideas, or facts in written form in a clear, concise manner [1.6.6]
1.2 Differentiate social, ethical, and environment issues facing business	1.2.1	Describe the impact of population growth/decline	Foundation	Reading	Comprehends written information for main ideas [1.3.7]
	1.2.2	Explain social and/or environmental responsibilities	Thinking	Decision Making	Comprehends ideas and concepts related to business issues [4.2.2]
1.3 Explain the economic environment of business	1.3.1	Define basic economic concepts	Foundation	Listening	Comprehends ideas and concepts related to the economic environment of business [1.2.1]
	1.3.2	Discuss economic systems and economic-political systems		Writing	Communicates thoughts, ideas, or facts in written form in a clear, concise manner [1.6.6]
1.4 Discuss International business	1.4.1	Describe the importance of International trade and investment	Foundation	Listening	Comprehends ideas and concepts related to International business [1.2.1]
	1.4.2	Explain theory and practice of International trade		Reading	Identifies relevant details, facts, and specifications [1.3.16]
	1.4.3	Identify International trade obstacles or restraints		Speaking	Organizes ideas and communicates oral messages to listeners [1.5.7]
			Thinking	Reasoning	Uses logic to draw conclusions from available information [4.5.6]

## Unit 2: Business Ownership and Law

### Hours: 30

Terminology: Assessed valuation, Bankruptcy, Business plan, Charter, Cooperative, Copyright, Corporation, Creditors, Dividends, Excise tax, Income tax, Interstate commerce, Intrastate commerce, Licensing, Partnership, Patent, Progressive tax, Property tax, Proportional tax, Proxy, Regressive tax, Sales tax, Shares, Sole proprietorship, Stockholders, Trademark

CAREER and TECHNICAL SKILLS What the Student Should be Able to Do			ACADEMIC and WORKPLACE SKILLS What the Instruction Should Reinforce		
Knowledge	Application		Skill Group	Skill	Description
2.1 Analyze forms of business ownership	2.1.1 Compare advantages of proprietorships, partnerships, corporations		Thinking	Reasoning	Sees relationship between two or more ideas, objects, or situations [4.5.5]
	2.1.2 Compare disadvantages of proprietorships, partnerships, corporations				
2.2 Explain the legal aspects of business	2.2.1 Discuss the government's role in protecting and promoting business		Foundation	Listening	Comprehends ideas and concepts related the legal aspects of business [1.2.1]
	2.2.2 Identify different types of taxes and the function of taxation in business			Reading	Comprehends written information and applies it to a task [1.3.8]
				Speaking	Organizes ideas and communicates oral messages to listeners [1.5.7]
2.3 Develop an effective business plan	2.3.1 Explain the purposes of a business plan and its importance		Foundation	Speaking	Participates in conversation, discussion, and group presentations [1.5.8]
	2.3.2 List and understand the parts of a business plan			Writing	Organizes information into an appropriate format [1.6.10]
	2.3.3 Research and find resources for your business plan		Thinking	Decision Making	Comprehends ideas and concepts related to business plans [4.2.2]
	2.3.4 Develop a business plan				

## Unit 3: Information and Communication Systems

### Hours: 10

**Terminology:** Bricks-and-mortar business, Browser, Channel of communication, Chief Information Officer (CIO), Communication network, Communication, Conflict, Controlling, Decision Support System (DSS), E-commerce, Ergonomics, Executive Information System (EIS), Firewall, Internet Service Provider (ISP), Manager, Management, Management Information System (MIS), Personal Digital Assistant (PDA), Search engine, Telecommunications

CAREER and TECHNICAL SKILLS				ACADEMIC and WORKPLACE SKILLS		
What the Student Should be Able to Do				What the Instruction Should Reinforce		
Knowledge		Application		Skill Group	Skill	Description
3.1	Examine organizational communication	3.1.1	Describe the communication process and channels	Foundation	Writing	Communicates thoughts, ideas, or facts in written form in a clear, concise manner [1.6.6]  Summarizes written information [1.6.17]
				Interpersonal	Teamwork	Works effectively with others to reach a common goal [2.6.6]
3.2	Discuss technology and information management	3.2.1	Discuss electronic technology fundamentals	Foundation	Reading	Applies information and concepts derived from printed materials [1.3.3]
		3.2.2	Examine common business uses of the Internet			Comprehends written information for main ideas [1.3.7]
		3.2.3	Describe the stages of e-commerce development		Writing	Applies/Uses technical words and concepts [1.6.4]

## Unit 4: Management Responsibilities

### Hours: 15

Terminology: Accountability, Achievement need, Affiliation need, Autocratic leader, Centralized organization, Controlling, Decentralized organization, Democratic leader, Empowerment, Executive, Flattened organization, Human relations, Implementing, Leadership, Leadership style, Line organization, Management, Manager, Matrix organization, Mission statement, Motivation, Motivators, Open leader, Operational planning, Organization chart, Organizing, Planning, Policies, Power need, Procedure, Process improvement, Self-directed work team, Situational leader, Span of control, Standard, Strategic planning, Supervisor, SWOT analysis, Unity of command, Variance, Work team

CAREER and TECHNICAL SKILLS What the Student Should be Able to Do			ACADEMIC and WORKPLACE SKILLS What the Instruction Should Reinforce		
Knowledge	Application		Skill Group	Skill	Description
4.1 Examine management functions and decision making	4.1.1	Define the four functions of management	Foundation	Reading	Comprehends written information for main ideas [1.3.7]
	4.1.2	Differentiate between management and non-management employees			Identifies relevant details, facts, and specifications [1.3.16]
	4.1.3	Describe the five major job responsibilities of supervisors		Writing	Summarizes written information [1.6.17]
	4.1.4	Identify how managers use information and research	Thinking	Decision Making	Comprehends ideas and concepts related to management functions [4.2.2]
	4.1.5	Identify the steps in an effective decision-making process		Reasoning	Sees relationship between two or more ideas, objects, or situations [4.5.5]
4.2 Evaluate the manager as a leader	4.2.1	Define important characteristics of leaders	Foundation	Listening	Comprehends ideas and concepts related to the characteristics of a leader [1.2.1]
	4.2.2	Identify five important human relation skills needed by managers		Reading	Applies/Understands technical words that pertain to subject [1.3.6]
	4.2.3	Compare different leadership styles and their effectiveness		Speaking	Communicates a thought, idea, or fact in spoken form [1.5.5]
	4.2.4	Know why rules are important and the importance of their enforcement		Writing	Communicates thoughts, ideas, or facts in written form in a clear, concise manner [1.6.6]

CAREER and TECHNICAL SKILLS What the Student Should be Able to Do			ACADEMIC and WORKPLACE SKILLS What the Instruction Should Reinforce		
Knowledge		Application	Skill Group	Skill	Description
4.3	Analyze planning and organization	4.3.1 Identify the value of planning for a business	Foundation	Reading	Analyzes and applies what has been read to specific task [1.3.2]
		4.3.2 Name the two levels of planning		Writing	Organizes information into an appropriate format [1.6.10]
		4.3.3 Provide examples of seven planning tools used by managers			Summarizes written information [1.6.17]
		4.3.4 Define traditional types and newer types of organization structure	Thinking	Knowing How to Learn	Applies new knowledge and skills to planning and organization [4.3.1]
4.4	Discuss implementation and control	4.4.1 Identify major management tasks involved in implementing the work of an organization	Foundation	Reading	Analyzes and applies what has been read to specific task [1.3.2]
		4.4.2 Explain the differences among three theories of employee motivation		Speaking	Communicates a thought, idea, or fact in spoken form [1.5.5]
		4.4.3 Describe the controlling process and four types of business standards		Writing	Summarizes written information [1.6.17]
		4.4.4 Recognize control methods businesses use for inventory, credit, theft, and health and safety	Thinking	Problem Solving	Tracks and evaluates results [4.4.10]

## Unit 5: Financial Management

**Hours: 25**

**Terminology:** Accounting, Accounting equation, Accounts payable, Accounts receivable, Actuaries, Assets, Balance sheet, Bank, Beneficiaries, Bond, Bonding, Book value, Budget, Capacity, Capital, Certificate of deposit (CD), Certified public accountant (CPA), Character, Check, Collateral, Commercial bank, Commercial loan, Common stock, Conditions, Consumer loan, Debit card, Deductible, Demand deposit, Depreciation, Direct deposit, Disability insurance, Electronic fund transfer (EFT), Endorsement, Equity capital, Financial statements, Health insurance, Health maintenance organization (HMO), Income statement, Initial public offering (IPO), Installment credit plan, Insurance agent, Insurance rate, Insurance, Insured, Investment companies, Lease, Liabilities, Liability insurance, Life insurance, Liquidity, Long-term capital, Long-term notes, Malpractice insurance, Market value, Money market account, Mutual fund, No-fault insurance, Non-bank financial institution, Par value, Peril, Policy, Preferred provider organization (PPO), Preferred stock, Premium, Prime rate, Promissory note, Retained earnings, Revolving credit plan, Risk, Savings account, Secured loan, Securities, Short-term capital, Smart card, Stock, Stock index, Stockbroker, Treasury bill (T-bill), Treasury bond, Treasury note, Unsecured loan, Venture capitalist, Working capital

CAREER and TECHNICAL SKILLS What the Student Should be Able to Do			ACADEMIC and WORKPLACE SKILLS What the Instruction Should Reinforce		
Knowledge	Application		Skill Group	Skill	Description
5.1 Explain the importance of financial record keeping and analysis in a business	5.1.1	Discuss types of records and record keeping systems used in business	Foundation	Reading	Comprehends written information for main ideas [1.3.7]
	5.1.2	Describe types of budgets and their uses		Speaking	Communicates a thought, idea, or fact in spoken form [1.5.5]
	5.1.3	Describe types of financial reports and their uses		Writing	Communicates thoughts, ideas, or facts in written form in a clear, concise manner [1.6.6]
	5.1.4	Examine sources of financial information			Summarizes written information [1.6.17]
5.2 Examine methods of financing	5.2.1	Describe methods of obtaining capital	Foundation	Speaking	Communicates a thought, idea, or fact in spoken form [1.5.5]
	5.2.2	Explain the different types of stock and ways to value stock		Writing	Communicates thoughts, ideas, or facts in written form in a clear, concise manner [1.6.6]
	5.2.3	List common sources of outside capital			



CAREER and TECHNICAL SKILLS What the Student Should be Able to Do			ACADEMIC and WORKPLACE SKILLS What the Instruction Should Reinforce		
Knowledge	Application		Skill Group	Skill	Description
5.3 Discuss the services provided to business by financial institutions	5.3.1	Compare the types of financial institutions	Foundation	Listening	Comprehends ideas and concepts related to financial institutions [1.2.1]
	5.3.2	Describe common banking services		Speaking	Organizes ideas and communicates oral messages to listener [1.5.7]
	5.3.3	Discuss investment instruments and decisions		Writing	Communicates thoughts, ideas, or facts in written form in a clear, concise manner [1.6.6]
	5.3.4	Examine the effects of governmental regulations on the financial industry			Presents answers/conclusions in a clear and understandable form [1.6.13]
5.4 Examine credit and insurance in business			Thinking	Reasoning	Sees relationship between two or more ideas, objects, or situations [4.5.5]
	5.4.1	Explain the establishment of credit operations in business	Foundation	Listening	Comprehends ideas and concepts related to credit and insurance in business [1.2.1]
	5.4.2	Discuss different kinds of credit cards		Reading	Comprehends written information for main ideas [1.3.7]
	5.4.3	Describe the factors determining credit ratings and the role of credit agencies			Draws conclusions from what is read [1.3.12]
	5.4.4	Examine credit and collection policies and ways to analyze credit sales		Speaking	Organizes ideas and communicates oral messages to listener [1.5.7]
	5.4.5	Discuss the purpose of insurance and risk management		Writing	Communicates thoughts, ideas, or facts in written form in a clear, concise manner [1.6.6]
	5.4.6	Identify types of business insurance			

## Unit 6: Production and Marketing Management

### Hours: 15

Terminology: Advertising, Advertising media, Brand, Buying, Channels of distribution, Cost of goods sold, Discounts, Distribution, Financing, Gross profit, Human resource planning, Inventory management, List price, Manufacturing, Markdown, Market, Market research, Marketing, Marketing mix, Marketing plan, Markup, Net profit, Operating expenses, Price, Product, Product development, Product research, Production, Promotion, Researching, Retailers, Sales promotions, Selling, Selling price, Services, Storing, Target markets, Transporting, Wholesalers

CAREER and TECHNICAL SKILLS				ACADEMIC and WORKPLACE SKILLS		
What the Student Should be Able to Do				What the Instruction Should Reinforce		
Knowledge		Application		Skill Group	Skill	Description
6.1	Discuss product planning	6.1.1	List the steps in new product development	Foundation	Listening	Comprehends ideas and concepts related to product planning [1.2.1]
		6.1.2	Examine manufacturing processes		Reading	Applies information and concepts derived from printed material [1.3.3]
		6.1.3	Describe considerations in location and production process organization		Speaking	Organizes ideas and communicates oral messages to listeners [1.5.7]
		6.1.4	Discuss ways to maintain product and service quality		Writing	Communicates thoughts, ideas, or facts in written form in a clear, concise manner [1.6.6]
		6.1.5	Compare/Contrast product/service methods of customer satisfaction			Summarizes written information [1.6.17]
			Thinking	Reasoning	Sees relationship between two or more ideas, objects, or situations [4.5.5]	
6.2	Examine the nature and scope of marketing	6.2.1	Discuss marketing activities and the role of marketing in the economy	Foundation	Listening	Comprehends ideas and concepts related to the nature and scope of marketing [1.2.1]
		6.2.2	Identify the elements of the marketing mix		Reading	Identifies relevant details, facts, and specifications [1.3.16]
					Speaking	Organizes ideas and communicates oral messages to listeners [1.5.7]

CAREER and TECHNICAL SKILLS			ACADEMIC and WORKPLACE SKILLS		
What the Student Should be Able to Do			What the Instruction Should Reinforce		
Knowledge		Application	Skill Group	Skill	Description
6.3	Discuss product development/distribution	6.3.1 Identify levels of product development and types of product selection	Foundation	Listening	Comprehends ideas and concepts related to product development/distribution [1.2.1]
		6.3.2 Explain the importance of packaging and branding in relation to customer/sales satisfaction		Reading	Identifies relevant details, facts, and specifications [1.3.16]
		6.3.3 Discuss the channels of distribution, distribution transportation, and product handling		Speaking	Organizes ideas and communicates oral messages to listeners [1.5.7]
				Writing	Analyzes data, summarizes results, and makes conclusions [1.6.2]
6.4	Analyze product pricing and promotion	6.4.1 Discuss business/consumer buying decisions	Foundation	Listening	Comprehends ideas and concepts related to product pricing and promotion [1.2.1]
		6.4.2 Examine pricing strategies and price control methods		Reading	Draws conclusions from what is read [1.3.12]
		6.4.3 Discuss the need for product promotion and common promotional needs		Speaking	Participates in conversation, discussion, and group preparations [1.5.8]
		6.4.4 Identify advertising/promotion laws and regulations		Written	Communicates thoughts, ideas, or facts in written form in a clear, concise manner [1.6.6]

## Unit 7: Human Resource Management

### Hours: 10

Terminology: Bonus, Cafeteria plan, Career development, Career path, Career plan, Compensation, Cross training, Discharge, Employee benefits, Employee turnover, Exit interview, Flextime, Human resource management, Job description, Job design, Job enlargement, Job enrichment, Job security, Job sharing, Job specification, Layoff, Organizational development, Pension plan, Performance review, Performance standards, Portfolio, Profit-sharing plan, Promotion, Salary, Transfer, Wage

CAREER and TECHNICAL SKILLS What the Student Should be Able to Do			ACADEMIC and WORKPLACE SKILLS What the Instruction Should Reinforce		
Knowledge	Application		Skill Group	Skill	Description
7.1 Discuss human resources planning	7.1.1 Identify procedures for identifying and selecting personnel		Foundation	Reading	Identifies relevant details, facts, and specifications [1.3.16]
	7.1.2 Discuss factors relating to employee promotion, transfer, and release			Writing	Communicates thoughts, ideas, or facts in written form in a clear, concise manner [1.6.6]
	7.1.3 Compare plans for employee compensation		Thinking	Reasoning	Comprehends ideas and concepts related to human resource planning [4.5.2]
	7.1.4 List common employee benefits				
7.2 Examine employee and organizational development	7.2.1 Define and discuss organizational development		Foundation	Listening	Comprehends ideas and concepts related to organizational development [1.2.1]
	7.2.2 Explain the components of a career development program			Reading	Identifies relevant details, facts, and specifications [1.3.16]
	7.2.3 Discuss the importance of performance reviews and training to business and employees			Speaking	Participates in conversation, discussion, and group presentations [1.5.8]
	7.2.4 Identify steps in career planning			Writing	Communicates thoughts, ideas, or facts in written form in a clear, concise manner [1.6.6]  Presents answers/conclusions in a clear and understandable form [1.6.13]

# **Glossary**

## **Unit 1: Business and Its Environment**

1. Baby boom – refers to the high birth rate period from 1945-1965
2. Baby bust – refers to the low birth rate period following the baby boom period
3. Business – an organization that produces or distributes a good or service for a profit
4. Business ethics – a collection of principles and rules of conduct based on what is right and wrong for an organization
5. Capital goods – buildings tools machines and other equipment that are used to produce other goods but do not directly satisfy human wants
6. Capitalism – an economic political system in which private citizens are free to go into business for themselves to produce whatever they choose to produce and to distribute what they produce as they please
7. Command economy – an economic system in which the method for determining what, how, and for whom goods and services are produced is decided by a central planning authority
8. Commercial business – firms engaged in marketing in finance and in furnishing services
9. Communism – forced socialism where all or almost all the productive resources of a nation are owned by the government
10. Comparable worth – paying workers equally for jobs with similar but not identical job requirements
11. Competition – rivalry among sellers for consumers' dollars
12. Consumer goods – products produced for sale to individuals and families for person use
13. Demand – refers to the number of similar products that will be bought at a given time at a given price
14. Domestic goods – products made by firms in the United States
15. Downsize – cutting back on the goods and services provided and thereby shrinking the size of a firm and the number of employees
16. Economic system – an organized way for a country to decide how to use its productive resources
17. Economic want – the desire for scarce material goods and services
18. Economics – the body of knowledge that relates to producing and using goods and services that satisfy human wants
19. Effectiveness – occurs when an organization makes the right decisions in deciding what products or services to offer customers or other users
20. Efficiency – occurs when an organization produces needed goods or services quickly at low cost

21. Empowerment – (1) letting workers decide how to perform their work tasks and offer ideas on how to improve the work process; (2) the authority given to individual employees to solve problems on the job with available resources
22. Entrepreneur – a person who starts manages and owns a business
23. Factors of production – land labor capital goods and management—the four basic resources that are combined to create useful goods and services
24. Finance – deals with all money matters related to running a business
25. Foreign good – products made by firms in other countries
26. Franchise – a legal agreement between a company and a distributor to sell a product or service under special conditions
27. Franchisee – the distributor of a franchised product or service
28. Franchisor – the parent company of a franchise agreement that provides the product or service
29. Glass ceiling – an invisible barrier to job advancement
30. Global competition – the ability of profit-making organizations to compete with other businesses in other countries
31. Gross Domestic Product (GDP) – the total market value of all goods produced and services provided in a country in a year
32. Industrial business – firms that produce good that are often used by other businesses or organizations to make things
33. Intrapreneur – an employee who is given funds and freedom to create a special unit or department within a company in order to develop a new product process or service
34. Labor – the human effort either physical or mental that goes into the production of goods and services
35. Labor force – most people aged 16 or over who are available for work whether employed or unemployed
36. Labor participation rate – the percentage of the labor force either employed or actively seeking employment
37. Manufacturing firm – businesses that produce goods
38. Market economy – an economic system that determines what how and for whom goods and services are produced by coordinating individual choices through arrangements that aid buying selling goods and services
39. Marketing – the process of planning and executing the conception pricing promotion and distribution of ideas goods and services to create exchanges that satisfy individual and organizational objectives
40. Mass production – an assembly process in which a large number of products is produced each of which is identical to the next

41. Mixed economy – an economic system in which a combination of a market and a command economy is blended together to make decisions about what how and for whom goods and services are produced
42. Monopoly – exists when competition is lacking for a product or service or when producers are in a position to control the supply and price of goods or services
43. Output – the quantity or amount produced within a given time
44. Privatization – when a state or country transfers its authority to provide a good or service to individuals or businesses
45. Service firm – business that provide assistance to satisfy specialized needs through skilled workers
46. Social responsibility – the duty of a business to contribute to the well-being of society
47. Socialism – an economic-political system in which the government controls and regulates the means of production
48. Stakeholders – the owners customers suppliers employees creditors government the general public and other groups who are affected by a firm's action
49. Supply – refers to the number of similar products that will be offered for sale at a particular time and at a particular price
50. Total Quality Management (TQM) – a commitment to excellence that is accomplished by teamwork and continual improvement
51. Underground economy – income that escapes being recorded in the GDP
52. Utility – the ability of a good or service to satisfy a want

## Unit 2: Business Ownership and Law

1. Assessed valuation – the value of property determined by tax officials
2. Bankruptcy – a legal process that allows selling assets to pay off debts
3. Business plan – a written description of the business and its operations with an analysis of the opportunities and risks it faces
4. Charter – an official document granted by a state giving power to run a corporation
5. Cooperative – a business owned and operated by its user-members for the purpose of supplying themselves with goods and service
6. Copyright – similar to a patent in that the federal government gives an author the sole right to reproduce, publish, and sell literary or artistic work for the life of the author plus 70 years
7. Corporation – a business owned by a group of people and authorized by the state in which it is located to act as though it were a single person
8. Creditors – those to whom money is owed
9. Dividends – profits distributed to stockholders on a per-share basis
10. Excise tax – a sales tax that applies only to selected goods and services such as gasoline
11. Income tax – a tax levied against the profits of business firms and against earning of individuals
12. Interstate commerce – business operations and transactions that cross over state lines
13. Intrastate commerce – business transacted within a state
14. Licensing – a way to limit and control those who plan to enter certain types of businesses
15. Partnership – a business owned by two or more persons
16. Patent – an agreement in which the federal government gives an inventor the sole right for 20 years to make use and sell an invention
17. Progressive tax – tax based on the ability to pay
18. Property tax – a levy on material goods owned
19. Proportional tax – tax rate remains the same regardless of the amount on which the tax is imposed
20. Proxy – a written authorization for someone to vote in behalf of the person signing the proxy



- 21. Regressive tax – taxation wherein the actual tax rate decreases as the taxable amount increases
- 22. Sales tax – a tax levied on the retail price of goods and services at the time they are sold
- 23. Shares – equal parts of the division of ownership of a corporation
- 24. Sole proprietorship – a business owned and managed by one person
- 25. Stockholder – owners of a corporation
- 26. Trademark – a distinguishing name symbol or special mark placed on a good or service that is legally reserved for the sole use of the owner

### **Unit 3: Information and Communication Systems**

1. Bricks-and-mortar business – businesses that complete most of their business activities at a physical location rather than through the Internet
2. Browser – a program that permits you to navigate and view Web pages
3. Channel of communication – the means by which a message is conveyed
4. Chief information officer (CIO) – the top computer executive
5. Communication – refers to the sharing of information which results in a high degree of understanding between the message sender and receiver
6. Communication network – a structure through which information flows in a business
7. Conflict – a situation that develops when one person interferes with the achievement of another's goals
8. Controlling – evaluating results to determine if the company's objectives have been accomplished as planned
9. Decision support system (DSS) – a system that helps managers consider alternatives in making specific decisions
10. E-commerce – doing business online
11. Ergonomics – a science of adapting equipment to the work and health needs of people
12. Executive information system (EIS) – combines and summarizes ongoing transactions within the company to provide top-level executives with information needed to make decisions about company goals and direction
13. Firewall – a system using special software that screens people who enter or exit a network by requesting passwords
14. Internet service provider (ISP) – a service that provides Internet access
15. Manager – a person who complete all four management functions on a regular basis and has authority over other jobs and people
16. Management – the process of accomplishing the goals of an organization through the effective use of people and other resources
17. Management information system (MIS) – integrates data from various departments to make it available to help managers with daily business operations
18. Personal digital assistant (PDA) – a small computer-like device that can send and receive messages wirelessly
19. Search engine – a program that assists in locating information on the Internet
20. Telecommunications – allowing employees to work at home using computers rather than at the business

## Unit 4: Management Responsibilities

1. Accountability – the obligation to accept responsibility for the outcomes of assigned tasks
2. Achievement need – take personal responsibility for work; set personal goals; want immediate feedback on work
3. Affiliation need – concerned about relationships with others; work to get along well and fit in with a group
4. Autocratic leader – one who gives direct clear and precise orders with detailed instructions as to what when and how work is to be done
5. Centralized organization – all major planning and decision making is done by a group of top managers in the business
6. Decentralized organization – a business is divided into smaller operating units and managers are given almost total responsibility
7. Democratic leader – one who encourages workers to share in making decisions about work-related problems
8. Empowerment – letting workers decide how to perform their work tasks and offer ideas on how to improve the work process
9. Executive – a top-level manager who spends almost all of his or her time on management functions
10. Flattened organization – one with fewer levels of management than traditional structures
11. Human relations – how well people get along with each other when working together
12. Implementing – helping employees to work effectively
13. Leadership – the ability to influence individuals and groups to achieve organizational goals
14. Leadership style – the general way a manager treats and directs employees
15. Line organization – all authority and responsibility may be traced in a direct line from the top executive down to the lowest employee level in the organization
16. Matrix organization – combines workers into temporary work teams to complete specific projects
17. Mission statement – a short specific statement of the purpose and direction of the business
18. Motivation – the set of factors that cause a person to act in a certain way
19. Motivators – factors that increase job satisfaction
20. Open leader – a manager who gives little or no direction to workers

21. Operational planning – short –term planning that identifies specific activities for each area of the business
22. Organization chart – a visual device that shows the structure of an organization and the relationships among workers and divisions of work
23. Organizing – determining how plans can most effectively be accomplished; arranging resources to complete work
24. Planning – analyzing information and making decisions about what needs to be done
25. Policies – guidelines used in making decisions regarding specific recurring situations
26. Power need – desire to influence and control others and to be responsible for a group's activities
27. Procedure – a list of steps to be followed for a performing certain work
28. Process improvement – efforts to increase the effectiveness and efficiency of specific business operations
29. Self-directed work team – a team in which members together are responsible for the work assigned to the team
30. Situational leader – one who understands employees and job requirements and matches actions and decisions to the circumstances
31. Span of control – the number of employees who are directly supervised by one person
32. Standard – a specific measure by which something is judged
33. Strategic planning – long-term planning that provides broad goals and directions for the entire business
34. Supervisor – a manager whose main job is to direct the work of employees
35. SWOT analysis – an examination of an organization's internal strengths and weaknesses as well as opportunities and threats from its external environment
36. Unity of command – means that no employee has more than one supervisor at a time
37. Variance – the difference between current performance and the standard
38. Work team – a group of individuals who cooperate to achieve a common goal

## Unit 5: Financial Management

1. Accounting – A systematic process of recording and reporting the financial information resulting from business transactions
2. Accounting equation –  $\text{Assets} = \text{Liabilities} + \text{Capital}$
3. Accounts payable – Money owed for credit purchases
4. Accounts receivable – the amount owed by customers
5. Actuaries – persons who calculate insurance rates
6. Assets – things owned, such as cash and buildings
7. Balance sheet – a financial statement that lists the assets, liabilities, and capital of a business
8. Bank – an institution that accepts demand deposits and makes commercial loans
9. Beneficiaries – persons who receive a life insurance payment on the death of an insured person
10. Bond – a long-term written promise to pay a definite sum of money at a specified time
11. Bonding – provides payment of damages to people who have losses resulting from the negligence or dishonesty of an employee or from the failure of the business to complete a contract
12. Book value – the value of a share of stock that is found by dividing the net worth (assets minus liabilities) of the corporation by the total number of shares outstanding
13. Budget – a financial plan extending usually for one year
14. Capacity – earning power
15. Capital – what a business is worth after subtracting liabilities from assets
16. Certificate of Deposit (CD) – a savings account that requires an investor to deposit a specified sum for a fixed period at a fixed interest rate
17. Certified Public Accountant (CPA) – a person who has met a state's education, experience, and examination requirements in accounting
18. Character – an indication of one's moral obligation to pay debts
19. Check – a written order on a financial institution to pay previously deposited money to a third party on demand
20. Collateral – property a borrower pledges to assure repayment of a loan

21. Commercial bank – a financial institution that provides many services, such as handling time and demand deposits and commercial and consumer loans
22. Commercial loan – a loan made to a business
23. Common stock – ownership that gives holders the right to participate in managing the business by having voting privileges and by sharing in the profits (dividends) if there are any
24. Conditions – relate to economic and other matters such as the economic health of an community or nation and the extent of business competition that affects credit decisions
25. Consumer loan – a loan made to an individual
26. Debit card – allows a person to make cash withdrawals from ATMs, pay bills by phone from bank accounts, and pay for onsite purchases such as food and household items
27. Deductible – an arrangement that permits the insured to bear part of the loss in return for a lower premium
28. Demand deposit – money put into a financial institution by depositors and which can be withdrawn at any time without penalty
29. Depreciation – decrease in the value of an asset due to wear and age
30. Direct deposit – allows business to electronically transfer employees' paychecks directly from the employer's bank account to employees' bank accounts
31. Disability insurance – offers payments to employees who are no longer able to work because of accidents or illnesses
32. Electronic Fund Transfer (EFT) – transferring money by computer rather than by check
33. Endorsement – the signature--usually on the back--that transfers a negotiable instrument
34. Equity capital – money invested in the business by its owner or owners
35. Financial statements – reports that summarize financial data over a period of time
36. Fixed assets – material assets that will last a long time
37. Health insurance – provides protection against the expenses of health care
38. Health Maintenance Organization (HMO) – a cooperative agreement between a business and a group of physicians and other medical professionals to provide for the health care needs of the employees of the business
39. Income statement – a financial document that reports total revenue and expenses for a specific period
40. Initial Public Offering (IPO) – the first time a company sells stock to the public

41. Installment credit – credit used when a customer makes a sizable purchase and agrees to make payments over an extended but fixed period of time
42. Insurance – a risk management tool that limits financial loss from uncontrollable events in exchange for regular payments
43. Insurance agent – people who represent the insurance company and sell insurance to individuals and businesses
44. Insurance rate – the amount charged for a certain value of insurance
45. Insured – the persons or organization covered by the insurance policy
46. Investment companies – an organization that specializes in the sale of a variety of stocks, bonds, and other securities
47. Lease – a contract that allows the use of an asset for a fee
48. Liabilities – claims against assets or things owed—the debts of a business
49. Liability insurance –provides protection for risks involved in operating a business
50. Life insurance – provides money that is paid upon the death of the insured to a person or people identified in the insurance policy
51. Liquidity – refers to the ease of turning an investment into cash without significant loss
52. Long-term capital – capital that is borrowed for longer than a year
53. Long-term notes – loans written for periods of 1 to 15 years
54. Malpractice insurance – a type of liability insurance that protects against financial loss arising from suits for negligence in providing professional services
55. Market value – the value at which stock is bought and sold on any given day
56. Money market account – a type of savings account in which the deposits are invested in short term, government-backed securities
57. Mutual fund – pools the money of many small investors for purchases of stocks and bonds
58. No-fault insurance – each insurance company is required to pay the losses of its insured when an accident occurs, regardless of who might have been responsible for the loss
59. Non-bank financial institution – an institution that offers on demand deposits or commercial loans, but not both
60. Obsolescence – decrease in the value of an asset because it is out of date or inadequate

61. Par value – a dollar value shown on a share of stock, which is an arbitrarily assigned amount that is used for bookkeeping purposes
62. Peril – the cause of a loss for a person or organization
63. Policy – the written agreement, or contract, between the insurer and the policyholder
64. Preferred Provider Organization (PPO) – health care available from a selected set of physicians and health care facilities through negotiated contracts between the health care providers and the insurers
65. Preferred stock – ownership that gives holders preference over the common stockholders when distributing dividends or assets
66. Premium – a payment by the policyholder to the insurer for protection against a risk
67. Prime rate – the lowest rate of interest; the rate at which large banks loan large sums to the best-qualified borrowers
68. Promissory note – an unconditional written promise to pay a certain sum of money, at a particular time or on demand, to the order of one who has obtained the note
69. Retained earnings – profits that are put aside to run a business
70. Revolving credit plan – a credit plan that combines the features of regular charge credit and installment credit
71. Risk – the uncertainty that a loss may occur
72. Savings account – an account that allows customers to make deposits, earn interest, and make withdrawals at any time without financial penalties
73. Secured loan – a loan that requires the borrower to pledge something of value as security
74. Securities – stocks and bonds
75. Short-term capital – borrowed capital that must be repaid within a year, and often in 30, 60, or 90 days
76. Smart card – a credit and debit card with a memory that stores financial, health, credit, and other kinds of data that can be read by computers
77. Stock – a share of ownership in corporation
78. Stock index – a kind of average of the prices of selected stocks considered to be representative of a certain class of stocks or of the economy in general
79. Stockbroker – a professional who buys and sells corporate securities for customers through a stock brokerage firm and gives investment advice
80. Treasury bill (T-bill) – short-term security sold by the federal government to finance the cost of running the government



- 81. Treasury bond – securities sold in \$1,000 to \$1 million amounts with maturities ranging from 10 to 30 years
- 82. Treasury note – securities sold by the US government in amounts of \$1,000 up to \$5,000 that generally mature in one to ten years
- 83. Unsecured loan – a loan that is not backed by collateral
- 84. Venture capitalist – an investor or investment group that lends large sums of money to promising new or expanding small companies
- 85. Working capital – the difference between current assets and current liabilities

## Unit 6: Production and Marketing Management

1. Advertising – all forms of paid promotions that deliver a message to many people at the same time
2. Advertising media – the methods of delivering the promotional message to the intended audience
3. Brand – a name, symbol, word, or design that identifies a product, service, or company
4. Buying – obtaining goods to be resold
5. Channels of distribution – the routes products and services follow, including the activities and participating organizations, while moving from the producer to the consumer
6. Cost of goods sold – the cost to produce the product or buy it for resale
7. Discounts – reductions from the price of the product to encourage customers to buy
8. Distribution – the set of activities required to transport and store products, and make them available to customers
9. Financing – providing money that is needed to perform various marketing activities, such as obtaining credit when buying and extending credit when selling
10. Gross profit – term used to indicate the difference between the selling price and the cost of goods sold
11. Human resource planning – determines the types of jobs that are required for each part of the production procedure and the number of people needed for each job
12. Inventory management – determines the quantities of materials and supplies needed for production and the amount of finished products required to meet customer orders
13. List price – the original price that the seller posts on the product
14. Manufacturing – a special form of production in which raw and semi-finished materials are processed and converted into finished products
15. Markdown – any amount by which the original selling price is reduced before an item is sold
16. Market – the types of buyers a business wishes to attract and where such buyers are located
17. Market research – the study of a company's current and prospective customers
18. Marketing – the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational objectives
19. Marketing mix – the blending of all decisions that are related to the four elements of marketing
20. Marketing plan – a detailed written description of all marketing activities that a business must accomplish in order to sell a product

21. Markup – the amount added to the cost of a product to determine its selling price
22. Net profit – the difference between the selling price and all costs and expenses of the business
23. Operating expenses – the costs of operating a business
24. Price – the amount of money given to acquire a product
25. Product – all attributes that customers receive in exchange for the purchase price
26. Product development – the process of developing or improving a product or service
27. Product research – research done to develop new products or discover improvements for existing products
28. Production – involves making a product or providing a service
29. Promotion – providing information to consumers that will assist them in making a decision to purchase a product or service, or the advancement of an employee within a company to a position with more authority and responsibility
30. Researching – studying buyer interests and needs testing products, and gathering facts needed to make good marketing decisions
31. Retailers – businesses that sell directly to final customers
32. Sales promotions – any promotional activities other than advertising and personal selling intended to motivate customers to buy
33. Selling – providing personalized and persuasive information to customers to help them buy the products and services they need
34. Selling price – the actual price paid for a company's products by the customer
35. Services – activities of value that do not result in the ownership of a physical product, or intangible products that result from a high degree of labor input and that satisfy consumer needs
36. Storing – holding goods until needed by consumers, such as on shelves, in storage rooms, or in warehouses
37. Target markets – groups of customers with very similar needs to whom the company can sell its product
38. Transporting – moving goods from where they are made to where consumers can buy them
39. Wholesalers – businesses that buy products from businesses and sell them to retailers or other businesses

## Unit 7: Human Resource Management

1. Bonus – bonus paid at the end of a specific period of time for performance that exceeds the expected standard
2. Cafeteria plan – a benefit program in which employees can select the benefits that meet their personal needs
3. Career development – a program that matches the career planning of employees with the employment needs of businesses
4. Career path – a progression of related jobs with increasing skill requirements and responsibility
5. Career plan – identifies the jobs that are a part of the employee's career path, the training and development needed to advance along the career path, and a tentative schedule for the plan's activities
6. Compensation – the money or other benefits people receive for work
7. Cross training – employees are trained to perform more than one job in the company even though they typically perform only one
8. Discharge – the release of an employee from the company due to inappropriate work behavior
9. Employee benefits – all forms of compensation and services the company provides to employees in addition to salaries and wages
10. Employee turnover – the rate at which people enter and leave employment in a business during a year
11. Exit interview – a formal interview with an employee who is leaving a company to determine the person's attitudes and feelings about the company's policies and procedures, management, and operations
12. Flextime – a plan that lets employees choose their own work hours, within specifies limits
13. Human resource management – all activities involved with acquiring, developing, and compensating the people who do the company's work
14. Job description – a list of basic tasks that make up a job
15. Job design – the kind of work and the way the work is organized
16. Job enlargement – making a job more interesting by adding variety to the tasks
17. Job enrichment – encouraging employee participation in decision making
18. Job security – the likelihood that employment will not be terminated
19. Job sharing – an employment plan that allows two people to share one full-time job
20. Job specification – a list of the qualifications a worker needs to do a job

21. Layoff – a temporary or permanent reduction in the number of employees resulting from a change in business conditions
22. Organizational development – carefully planned changes in the structure and operation of a business so it can adjust successfully to the competitive environment
23. Pension plan – a company sponsored retirement plan that makes regular payments to employees after retirement
24. Performance review – the process of assessing how well employees are doing their jobs
25. Performance standards – specific statements of the expected results from critical business activities
26. Portfolio – an organized collection of information and materials that represents a person's accomplishments
27. Profit-sharing plan – a benefit plan that pays employees a small percentage of the company's profits at the end of the year
28. Promotion – (1) providing information to consumers that will assist them in making a decision to purchase a product or service (2) the advancement of an employee within a company to a position with more authority and responsibility
29. Salary – compensation paid on other than an hourly basis, such as weekly or monthly
30. Transfer – the assignment of an employee to another job in the company that involves the same type of responsibility and authority
31. Wage – compensation paid on an hourly basis